

COASTAL CONSERVANCY

Staff Recommendation

March 10, 2005

MALIBU CREEK WATERSHED-SOKA PROPERTY (KING GILLETTE RANCH) ACQUISITION

File No. 05-010

Project Manager: Marc Beyeler

RECOMMENDED ACTION: Authorization to disburse up to ten million five hundred thousand dollars (\$10,500,000) to the Mountains Recreation and Conservation Authority to assist in the public acquisition of the approximately 578-acre SOKA (King Gillette Ranch) Property located in the Malibu Creek Watershed to protect and preserve open space, habitat and watershed lands and to implement the Santa Monica Bay Restoration Plan, approved by the Conservancy on August 2, 2001.

LOCATION: Malibu Creek Watershed, Los Angeles County. The Malibu Creek Watershed encompasses approximately 110 square miles in Los Angeles and Ventura Counties and is the second largest watershed drainage into Santa Monica Bay, and the most important watershed protecting coastal resources (Exhibit 1).

PROGRAM CATEGORY: Resource Enhancement

Exhibits

Exhibit 1: Regional Location Map

Exhibit 2: Property Map

Exhibit 3: Regional Protected Lands Maps

Exhibit 4: Habitat Maps

Exhibit 5: Santa Monica Bay Watershed Council Resolution

Exhibit 6: Letters of Support

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following Resolution pursuant to Sections 31251-31270 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed ten million five hundred thousand dollars (\$10,500,000) to the Mountains

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Recreation and Conservation Authority (MRCA) to acquire the property commonly known as the “SOKA Property” (Los Angeles County Assessor Parcel Nos. 4455-015-002, 4455-016-032, 4455-016-033, 4455-035-001, 4455-033-006, 4455-033-005, 4455-028-043, 4455-033-021, 4455-033-003, 4455-033-026), in the Malibu Creek Watershed, Los Angeles County, as more specifically described in Exhibit 2 to the accompanying staff recommendation, to implement the Santa Monica Bay Restoration Plan, approved by the Conservancy on August 2, 2001, and to protect and preserve open space, habitat and watershed lands within the Malibu Creek Watershed. This authorization is subject to the following conditions:

1. Prior to the disbursement of any funds for the acquisition of the property, the MRCA shall submit for the review and approval of the Conservancy’s Executive Officer all relevant acquisition documents, including but not limited to appraisal, agreement of purchase and sale and documents of title.
2. The MRCA shall pay no more than fair market value for the property as established in an appraisal approved by the California Department of General Services;
3. The MRCA shall repay to the California State Coastal Conservancy for future Santa Monica Bay projects recommended to the Conservancy by the Santa Monica Bay Watershed Council up to two million five hundred thousand dollars (\$2,500,000) on the terms and conditions established by the Executive Officer of California State Coastal Conservancy but in no event later than December 31, 2005;
4. The MRCA shall dedicate the property for natural resource protection, open space preservation and public access in an appropriate instrument approved the Conservancy’s Executive Officer;
5. The California State Coastal Conservancy, Santa Monica Bay Restoration Commission and Proposition 12 funding shall be acknowledged by erecting and maintaining a sign on the property, the design and location of which has been reviewed and approved by the Conservancy’s Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Public Resources Code Sections 31251-31270 regarding enhancement of coastal resources; and
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.”

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MALIBU CREEK WATERSHED-SOKA PROPERTY (KING GILLETTE RANCH) ACQUISITION

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STAFF DISCUSSION

PROJECT SUMMARY:

Conservancy staff is recommending Conservancy authorization to disburse up to ten million five hundred thousand dollars (\$10,500,000) to the Mountains Recreation and Conservation Authority (MRCA) to acquire the SOKA Property located in the Malibu Creek Watershed. The SOKA Property is located in the center of the Santa Monica Mountains within the coastal zone in Los Angeles County. The Coastal Conservancy will contribute \$5,500,000 to the acquisition. In addition, on the recommendation of the Santa Monica Bay Watershed Council, staff is recommending the Conservancy approve additional funding of up to \$5,000,000, including a reimbursable grant of up to \$2,500,000 to cover the amount to be granted by the National Park Service, which may not be available by the escrow deadline of April 15, 2005.

The SOKA Property, also known as the King Gillette Ranch, is critical to maintaining biological connectivity within the Santa Monica Mountains. In addition to its regional habitat values, the property is a significant scenic resource in the region. The SOKA Property lies adjacent to Malibu Creek State Park and the National Park Service's Diamond X Ranch. Acquisition will protect and buffer the entrance to the adjacent Malibu Creek State Park.

The MRCA seeks to acquire the SOKA Property to expand protected core habitat as part of a key corridor for wildlife in the Santa Monica Mountains, protect and restore sensitive plant communities, protect listed and sensitive species, protect an important coastal stream watershed (the Malibu Creek Watershed), provide for nature education and interpretation, and to provide accessible open space and park opportunities at the urban interface of the greater Los Angeles metropolitan area (Exhibit 3).

Site Description: The SOKA Property is in Malibu Canyon, the second-largest and most significant watershed in the Santa Monica Mountains. The SOKA Property is situated in the center of both the Santa Monica Mountains and the Malibu Creek watershed at a point where all of its major tributaries converge.

The 110-square mile Malibu Creek Watershed is the second largest sub-watershed within the larger 400+-mile Santa Monica Bay watershed. It is the most ecologically significant watershed in Los Angeles County and the Santa Monica Mountains National Recreation Area (SMMNRA). The Malibu Creek watershed provides a wide variety of habitats for threatened and endangered species and has long been a popular locale for public access and public recreation. A large percentage of the watershed remains in natural habitat. It encompasses unincorporated portions of Ventura and Los Angeles Counties, and seven cities—Malibu, Calabassas, Agoura Hills, Thousand Oaks and Westlake Village and portions of Simi Valley and Hidden Hills.

The SOKA Property is located in western Los Angeles County, in the heart of the Santa Monica Mountains, bounded by Malibu Creek State Park and Las Virgenes Road to the west, Santa

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Monica Mountains National Recreation Area (SMMNRA) open space and privately-owned land to the south, the MRCA-owned Las Virgenes View Park and privately-owned land to the north, and privately-owned land to the east. Mulholland Highway follows the northwestern boundary of the property and then turns and bisects the property. The property can be accessed directly off Mulholland Highway.

Topography ranges from the relatively flat riparian valley in the northwestern and center portions of the property to gentle slopes and rolling hills in south and northeastern portions of the property. The property is part of the larger Mediterranean ecosystem of southern and coastal California, and supports numerous and extensive plant communities of threatened and endangered species, including oak woodlands, coastal sage scrub, willow scrub, and coast live oak riparian forest (Exhibit 4).

The Malibu Creek Watershed plays a critical role in maintaining connectivity between the Santa Monica Mountains, the Simi Hills, the Susana Mountains and the Los Padres and Angeles National Forests. The Malibu Creek Watershed, and its connections to the Simi Hills, Santa Susanna and San Gabriel Mountains, provide the only stepping stone for larger wildlife to re-inhabit the approximately 200-square mile Santa Monica Mountains ecosystem. The Santa Susana Mountains, the Simi Hills, and the Santa Monica Mountains extend southward in a chain from the 10,000-square-mile Los Padres and Angeles National Forest ecosystems through the Malibu Creek Watershed and its protected lands.

Project History

Acquisition of the SOKA Property would play a key role in implementing the Santa Monica Mountains Comprehensive Plan. Since the late 1980's the SOKA Property has been sought as an addition to the SMMNRA. In the past decade, numerous lawsuits have been filed to stop development of the property. Several attempts to acquire the property have been unsuccessful in the past. However, at this time the MRCA has negotiated a purchase option for the property.

Since the late 1980's the Coastal Conservancy has been a partner in efforts to restore the Malibu Creek Watershed and Santa Monica Bay. In 1991 the Conservancy funded the preparation of a restoration plan for a portion of the Malibu Creek Watershed and its coastal lagoon. Staff of the Coastal Conservancy participated in early efforts to create the Santa Monica Bay Restoration Project through the early 1990's.

In 1995, the Santa Monica Bay Restoration Project (SMBRP) completed the *Bay Restoration Plan*, which among other program elements, included a draft action plan for the Malibu Creek Watershed. The *Malibu Creek Watershed Natural Resource Plan*, adopted by the Natural Resources Conservation Service, also contains action items for watershed improvements which parallel the actions identified in the Bay Restoration Plan. The combined action items now comprise the *Bay Restoration Plan's Malibu Creek Watershed Action Plan*, including items to protect and restore natural habitats in the watershed and improve watershed water quality.

The Coastal Conservancy is a project partner, and/or project funder, in several important coastal resource protection projects in the Malibu Creek Watershed, including the eradication of non-native invasive plant species, the restoration and enhancement of Malibu Lagoon, the feasibility analysis of removing the Rindge Dam, riparian habitat restoration, the elimination of barriers to fish passage directed at the restoration of historic steelhead runs to the headwaters of the watershed, continued acquisitions to complete the multi-year restoration plan for Cold Creek, a

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tributary of Malibu Creek, and the recent acquisition of the 3,000-acre Ahmanson Ranch.

PROJECT FINANCING:

Financing for this project involve a large partnership of state, local and federal agencies. The Coastal Conservancy staff has been working closely with staff of the other agencies on a funding package that could fund the project under the current property purchase agreement deadline of April 15, 2005. The sources of all funding are detailed below:

Proposition 40-SCC	\$5,500,000
Proposition 12-SMBRP	\$2,500,000
(Prop. 12 Reimbursable Grant-SMBRP	\$2,500,000)
Santa Monica Mountains Conservancy	\$10,000,000
California Department of Parks and Recreation	\$7,150,000
Wildlife Conservation Board	\$5,000,000
National Park Service	\$2,500,000
LA County, 3 rd District	\$1,500,000
City of Calabasas	\$250,000
LA Co, 3 rd District Match to Calabasas	\$250,000
MRCA 1990 Mitigation Funds	\$533,000
MRCA Mission Canyon Funds-Redirected	\$700,000
City of Agoura Hills	\$250,000
LA Co, 3 rd District Match to Agoura Hills	<u>\$250,000</u>
Total Project Cost	\$36,383,000

The Santa Monica Bay Watershed Council has recommended the Coastal Conservancy approve a reimbursable grant, in the event of the delay in receiving funds from other project participants, notably the National Park Service (NPS). The NPS has Congressional approval for acquisition of a certain portion of the SOKA property, but the timing of actually completing the federal acquisition process by the April 15, 2005 deadline is uncertain. Federal Highway TEA funds are available for use toward their part of the SOKA acquisition. NPS staff will be forwarding a letter to the MRCA reaffirming that NPS would be able to complete acquisition of their portion of the SOKA property, if not before April 15, 2005, by the end of 2005.

The anticipated source of funds for this project is an appropriation to the Conservancy from Proposition 40, the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002, and from Proposition 12 funds specifically allocated to the Coastal Conservancy to “fund grants to implement ...habitat restoration and other priority actions specified in the Santa Monica Bay Restoration Plan”, and/or from Proposition 50, the Water Security, Clean Drinking Water, Coastal & Beach Protection Act of 2002. Funds for acquisition of habitat lands, open space and scenic lands, and the acquisition of coastal draining watershed lands in Malibu Creek Watershed to protect coastal natural resources and enhance coastal water quality is consistent with the anticipated funding source(s).

The Santa Monica Bay Watershed Council must recommend a project to the Coastal Conservancy, under the requirements of this item under Proposition 12. On February 24, 2005, the Santa Monica Bay Restoration Commission and the Santa Monica Bay Watershed Council, recommended funding from Proposition 12 to assist in the acquisition of the SOKA Property (Exhibit 5).

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

Chapter 6 of Division 21 of the Public Resources Code (Sections 31251-31270) provides for the Conservancy's participation in a program of coastal resource enhancement. The proposed authorization would facilitate the preservation of significant coastal natural resources. Protecting the watershed lands of the SOKA Property in the Malibu Creek Watershed is of critical importance in ensuring the sustainability of riparian ecosystems of Las Virgenes Creek and the downstream areas of Malibu Creek. Loss of upstream habitat will adversely affect water quality and aquatic ecosystem health within the larger Malibu Creek Watershed.

Consistent with Section 31251, the Conservancy is awarding a grant to a public agency for the purposes of restoring and enhancing coastal resources. Consistent with Public Resources Code Section 31253, the Conservancy is providing funds that will contribute to the total cost of acquisition.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOALS & OBJECTIVES:

Consistent with **Goal 5 Objective A**, the proposed project will increase Coastal Resource Conservation by the acquisition of coastal-draining watershed lands that will protect, restore and enhance biological diversity in coastal areas. Objective A directs staff to preserve, restore and enhance important coastal habitats including coastal stream corridors, coastal sage scrub, and oak woodlands. The proposed project contains significant natural resources including important riparian and steelhead habitat.

Consistent with **Goal 5 Objective B**, the proposed project will increase Coastal Resource Conservation by the acquisition of coastal-draining watershed lands that will protect, restore and enhance habitat corridors both between core habitat areas along the coast and from coastal

habitats to inland habitat areas. The proposed project provides essential habitat lands linking habitat corridors from the Santa Monica Mountains through the Simi Hills to the Santa Susana Mountains and the San Gabriel Mountains and the Angeles and Los Padres National Forests.

Consistent with **Goal 6 Objective A**, proposed project will improve water quality, habitat and related coastal habitats within a priority coastal watershed, the Malibu Creek Watershed, and the ocean resources associated with Santa Monica Bay. The proposed project will contribute to the multiple goals of 1) assisting in the recovery of anadromous fish (southern steelhead trout); 2) assist in the implementation of the state's non-point source water pollution control plans (in this case implementing the goals of the Santa Monica Bay Restoration Plan); and 3) assist in the implementation of endangered species recovery plans.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See "Consistency with Conservancy's Enabling Legislation" above.
2. **Consistency with purposes of the funding source:** See "Project Financing" above.
3. **Support of the Public:** The proposed project has widespread community and agency support, as well as support from the scientific community. Copies of support letters are included in Exhibit 6.
4. **Location:** Located in the heart of the watershed lands of the Malibu Creek Watershed, and near the juncture of Malibu and Las Virgenes creeks, and containing important stream reaches, acquisition of the property for purposes of open space and natural resource protection is essential to contribute to the restoration and enhancement of significant coastal resources, including riparian and watershed resources.
5. **Need:** Because the property lies immediately adjacent to the built neighborhoods of the City of Los Angeles and the City of Calabassas, the conversion of this property to urban uses is a real threat-under the existing approved campus development plan.
6. **Greater-Than-Local Interest:** The location of the SOKA Property in the center of the Malibu Creek Watershed is significant both locally and statewide. Significant public land holdings are either adjacent to, or nearby, the SOKA Property. The property is at the center of the Malibu Creek Watershed connecting a chain of mountain ranges linking regional habitat and species corridors. This watershed land is particularly valuable because Malibu Creek provides habitat for two federally endangered fish species, the tidewater goby and southern Steelhead Trout, contributing to species conservation and recovery beyond the

project boundaries.

Additional Criteria

7. **Urgency:** Currently, the property owner is a willing seller, but has professed intention of pursuing purchase offers from developers if the April 15, 2005 completion date is not satisfied. Market pressure for additional development in the immediate vicinity is strong. The opportunity to purchase the property for public parkland and resource protection is not expected to continue beyond the immediate future.
8. **Resolution of more than one issue:** The project will address coastal resource protection, habitat quality and species protection, water quality and watershed resource protection, as well as public recreation.
9. **Leverage:** See “Project Financing” above.
10. **Conflict resolution:** Completion of the proposed project will end a long-standing planning, land use and development dispute between the property owner, and citizen and environmental groups, as well as neighboring local governments.
11. **Realization of prior Conservancy goals:** “See “Project History” above.”
12. **Cooperation:** The project involves the cooperation of both the Santa Monica Mountains Conservancy (SMMC) and the Mountains Recreation and Conservation Authority (MRCA) both long-term partners of the Coastal Conservancy. It also involves the cooperation of the Wildlife Conservation Board, Department of Parks and Recreation (State Parks) and the National Parks Service (NPS). The MRCA will purchase the property, using funding provided in part by the Santa Monica Mountains Conservancy. MRCA will then transfer portions of the property to State Parks and NPS to hold and manage as part of their respective parklands. The MRCA will manage the remainder of the property. MRCA will undertake the necessary preparation of a management plan, in close consultation with the Coastal Conservancy and other interested stakeholders and interested parties.

COMPLIANCE WITH CEQA: The project is categorically exempt from the provisions of California Environmental Quality Act under 14 California Code of Regulations Sections 15325 and 15313, which apply to transfers of ownership of interests in land to preserve open space or plant and animal habitat and to preserve public access. Staff will file a Notice of Exemption upon approval of the project.